



**AUDIT REPORT
ON
THE ACCOUNTS OF
DISTRICT GOVERNMENT
VEHARI
AUDIT YEAR 2015-16**

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

ADP	Annual Development Program
B&R	Building & Road
CCB	Citizen Community Board
CD	Community Development
C&W	Communication & Works
DAC	Departmental Accounts Committee
DCO	District Coordination officer
DDC	District Development Committee
DDO	Drawing and Disbursing Officer
DEO (EE-M)	District Education Officer (Elementary Education-Male)
DHQ	District Headquarters
DO	District Officer
DTL	Drug Testing Laboratory
EDO	Executive District Officer
F&P	Finance and Planning
FD	Finance Department
LG&CD	Local Government & Community Development
MB	Measurement Book
MFDAC	Memorandum for Departmental Accounts Committee
OFWM	On Farm Water Management
P&D	Planning and Development
PDG	Punjab District Government
ESRP	Education Sector Reforms Programme
PFR	Punjab Financial Rules
PLGO	Punjab Local Government Ordinance
POL	Petroleum Oil and Lubricants
PDSSP	Punjab Devolved Social Services Programme
PMU	Programme Management Unit
SE	Superintending Engineer
S&GAD	Services and General Administration Department
SMC	School Management Council
THQ	Tehsil Head Quarter
TS	Technical Sanction
W&S	Works & Services

PREFACE

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 and Section 115 of the Punjab Local Government Ordinance, 2001 require the Auditor General of Pakistan to conduct audit of Receipts and Expenditure of the Local Fund and Public Accounts of District Governments.

The Report is based on audit of the accounts of various offices of the District Government, Vehari for the financial year 2014-15. The Directorate General of Audit, District Governments, Punjab (South), Multan, conducted audit during 2015-16 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit findings carrying value of Rs 1 million or more. Relatively less significant issues are listed in the Annex-A of the Audit Report. The Audit observations listed in the Annex-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

Audit findings indicate the need for adherence to the regularity framework besides instituting and strengthening internal controls to avoid recurrence of similar violations and irregularities.

The observations included in this report have been finalized in the light of written responses of the management concerned and DAC directives.

The Audit Report is submitted to the Governor of Punjab in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 115 of the Punjab Local Government Ordinance 2001, for causing it to be laid before the Provincial Assembly.

Islamabad
Dated:

(Rana Assad Amin)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Director General Audit (DGA), District Governments, Punjab (South), Multan, is mandated to carry out audit of the City District Governments and District Governments in Punjab (South). The Regional Directorate of Audit (RDA), District Governments, Multan, a Field Audit Office of the DGA, District Governments, Punjab (South), Multan, carries out audit of District Governments Multan, Lodhran, Vehari, Pakpattan, Sahiwal and Khanewal.

The Regional Directorate Audit has a human resource of 27 officers and staff, constituting 6,094 mandays and the budget amounting to Rs 24.922 million was allocated in Audit Year 2015-16. The office is mandated to conduct financial attest audit, audit of sanctions, audit of compliance with authority and audit of receipts as well as the performance audit of entities, projects and programs. Accordingly RDA Multan carried out audit of the accounts of various formations of City District Government, Multan for the Financial Year 2014-15 and the findings included in the Audit Report.

The District Government, Vehari conducts its operations under Punjab Local Government Ordinance, 2001. The District Coordination Officer (DCO) is the Principal Accounting Officer of the District Government and carries out functions of the District Government through group of offices as notified in Punjab Local Government Ordinance (PLGO). According to the Ordinance, the District Government Fund comprises District Local Fund and Public Account. Due to delay of electoral process Zila Nazim / Zila Council were not elected, therefore the Annual Budget Statement was authorized by the DCO, who has been notified as Administrator by the Government of the Punjab in February, 2010.

District Vehari is administratively divided into three Tehsils namely Vehari, Burewala and Mailsi.

Audit Objectives

Audit was conducted with the objectives to ensure that:

1. Money shown as expenditure in the accounts was authorized for the purpose for which it was spent.
2. Expenditure was incurred in conformity with the laws, rules and regulations framed to regulate the procedure for expending of public money.
3. Every item of expenditure was incurred with the approval of the competent authority in the Government.
4. Public money was not wasted.
5. The assessment, collection and accountal of revenue was made in accordance with the prescribed laws, rules and regulations and accounted for in the books of accounts of the District Government.

a) Scope of Audit

Out of total expenditure of the District Government, Vehari for the financial year 2014-15, auditable expenditure under the jurisdiction of Regional Director Audit (District Governments), Multan was Rs 7281.634 million covering one PAO and 314 formations. Out of this, Regional Director Audit (District Governments), Multan audited an expenditure of Rs 3622.106 million which, in terms of percentage, is 50% of total auditable expenditure and irregularities amounting to Rs 2,413.580 million were pointed out. Regional Director Audit planned and executed audit of 26 formations i.e. 100% achievement against planned audit activities.

Total receipt of the District Government Vehari for the financial year 2014-15, were Rs 42.790 million. RDA Multan audited receipts of Rs 22.251 million which in terms of percentage is 52% of total receipts and irregularities amounting to Rs 24.380 million were pointed out.

b) Recoveries at the Instance of Audit

Recoveries of Rs 92.152 million were pointed out by Audit which was not in the notice of the management before audit. An amount of Rs 1.719 million was

recovered and verified during the year 2015-16, till the time of compilation of Report.

However against the total recovery amount of Rs 22.623 million pertaining to paras (over one million) drafted in this report, no amount of recovery has been made by the management till the time of compilation of this report.

c) Audit Methodology

Audit was carried out against the standards of financial governance provided under various provisions of the Punjab Local Government Ordinance, 2001 (as amended), PFR Vol-I, II, Delegation of Financial Powers and other relevant laws, which govern the propriety of utilization of the financial resources of the District Government in accordance with the regularity framework provided by the relevant laws. On the spot examination and verification of record was also carried out in accordance with the applicable laws / rules and according to the INTOSAI auditing standards.

The selection of the audit formations was made keeping in view the significance and risk assessment, samples were selected after prioritizing risk areas by determining significance and risk associated with identified key controls.

d) Audit Impact

A number of improvements in record maintenance and procedures have been initiated by the departments concerned, however audit impact in shape of change in rules could not be materialized as the Provincial Accounts Committee has not discussed audit reports pertaining to District Governments for the year 2015-16.

e) Comments on Internal Control and Internal Audit department

Internal control mechanism of District Government Vehari was not found satisfactory during audit. Many instances of weak Internal Controls have been highlighted during the course of audit which includes some serious lapses like withdrawal of public funds against the entitlement of the employees. Negligence on the part of District Government authorities may be captioned as one of important reasons for weak Internal Controls.

According to Section 115-A (1) of PLGO, 2001, Nazim of each District Government shall appoint an Internal Auditor but the same was not appointed in District Vehari.

f) The Key Audit Findings of the Report

- i. Irregularities & Non-compliance involving amount of Rs 23.458 million was noted in three cases¹.
- ii. Performance issues involving amount of Rs 5.945 million was noted in two cases².
- iii. Internal Control Weaknesses involving Rs 10.020 million were noted in two cases³

Audit paras involving procedural violations including internal control weaknesses and other irregularities not considered worth reporting to the Public Accounts Committee were included in Memorandum of Departmental Accounts Committee (MFDAC) Annex-A.

g) Recommendations

PAO / District Government is required to:

- i. Conduct physical stock taking of the fixed and current assets.
- ii. Comply with the Punjab Public Procurement Rules for economical and rational purchases of goods and services.
- iii. Inquiries be held, responsibility fixed and appropriate disciplinary action taken against the person responsible for fraud, misappropriation, losses, theft and wasteful expenditure.
- iv. Efforts to be made for expediting the realization of various Government receipts.
- v. Ensure establishment of internal control system and proper implementation of the monitoring system.
- vi. Rationalize budget with respect to utilization.

¹ Para 1.2.1.1, 1.2.1.2 and 1.2.1.3

² Para 1.2.2.1 and 1.2.2.2

³ Para 1.2.3.1 and 1.2.3.2

SUMMARY TABLES & CHARTS

Table 1: Audit Work Statistics

(Rupees in Million)

Sr. No.	Description	No.	Expenditure	Receipts
1	Total PAOs in Audit jurisdiction	01	7,281.634	42.790
2	Total formations DAO/DDOs in Audit jurisdiction	314	7,281.634	42.790
3	Total entities (PAOs) audited	01	3,622.106	22.251
4	Total formations DAO / DDOs audited	26	3,622.106	22.251
5	Audit & Inspection Reports	26	-	-
6	Special Audit Reports	-	-	-
7	Performance Audit Reports	-	-	-
8	Other Reports (Relating to Districts)	-	-	-

Table 2: Audit Observations Classified by Category

(Rupees in Million)

Sr. No.	Description	Amount Placed under Audit Observation
1	Asset management	-
2	Financial management	23.626
3	Internal controls	10.020
4	Others	5.777
Total		39.423

Table 3: Outcome Statistics**(Rupees in Million)**

Sr. No	Description	Expenditure on Physical Assets	Salary	Non-Salary	Civil Works	Receipts	Total current year	Total Last Year
1	Total Financial Out Lays	293.1291	4,349.657	1,661.065	977.783	42.790	7,324.424	9,025.200
2	Outlays Audited	143.371	1,783.632	812.437	882.666	22.251	36,44.357*	5,164.326
3	Amount placed under audit observations/irregularities	1.478	15.200	16.800	-	5.945	39.423	133.321
4	Recoverable Pointed Out at the instance of Audit	-	15.200	1.478	-	5.945	22.623	16.478
5	Recoverable Accepted / Established at the instance of Audit	-	15.200	1.478	-	5.945	22.623	16.478
6	Recoverable Realized at the instance of Audit	-	1.719	-	-	-	1.719	-

*The amount mentioned against Sr. No.2 in column of "Total" is the sum of expenditure and receipt, whereas, the total expenditure was Rs 3,622.106 million.

Table 4: Irregularities Pointed Out**(Rupees in Million)**

Sr. No.	Description	Amount Placed under Audit Observation
1	Violation of rules and regulations and violation of principles of propriety and probity in public operations.	6.780
2	Reported cases of fraud, embezzlement, thefts and misuse of public resources.	-
3	Accounting Errors (accounting policy departure from IPSAS ¹ , misclassification, overstatement or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	-
4	Quantification of weaknesses of internal control systems.	10.020
5	Recoverable and overpayments, representing cases of established overpayments or misappropriations of public monies	22.623
6	Non-production of record.	-
7	Others, including cases of accidents, negligence etc.	-
Total		39.423

Table 5: Cost Benefit**(Rupees in Million)**

Sr. No.	Description	Amount
1	Outlays Audited (Item 2 Table 3)	3,644.357
2	Expenditure on Audit	0.263
3	Recoveries realized at the instance of Audit	1.719
4	Cost-Benefit Ratio	6.53

¹ The Accounting Policies and Procedure as prescribed by the Auditor General of Pakistan which are IPSAS (Cash) compliant.

CHAPTER 1

1.1 District Government Vehari

1.1.1 Introduction

As per the Punjab Local Government Ordinance, 2001, the District Governments / Local Governments established under the Ordinance shall function within the Provincial framework and adhere to the Federal and Provincial Laws. In performance of the functions, Local Governments carry out the functions devolved by the Provincial Government to the District Government level.

The District Governments consist of Zila Nazim / Administrator and District Administration. The District Government shall be competent to acquire, hold or transfer any property, moveable and immovable, to enter into contract and to sue or be sued in its name through District Coordination Officer. The authority of the District Government comprises the management and control of offices of the devolved departments which are decentralized or set up under the Ordinance. The District Government exercises such authority within the Districts in accordance with general policy of the Government. The District Government is responsible to the people and is mandated for improvement of governance and delivery of services within the ambit of authority decentralized under this Ordinance.

The DCO is the Principal Accounting Officer of the District Government and is responsible to the Public Accounts Committee of the Provincial Assembly. He is responsible to ensure that the business of the District Coordination Group of Offices is carried out in accordance with the laws and to coordinate the activities of the groups of offices for coherent planning, development, effective and efficient functioning of District Administration.

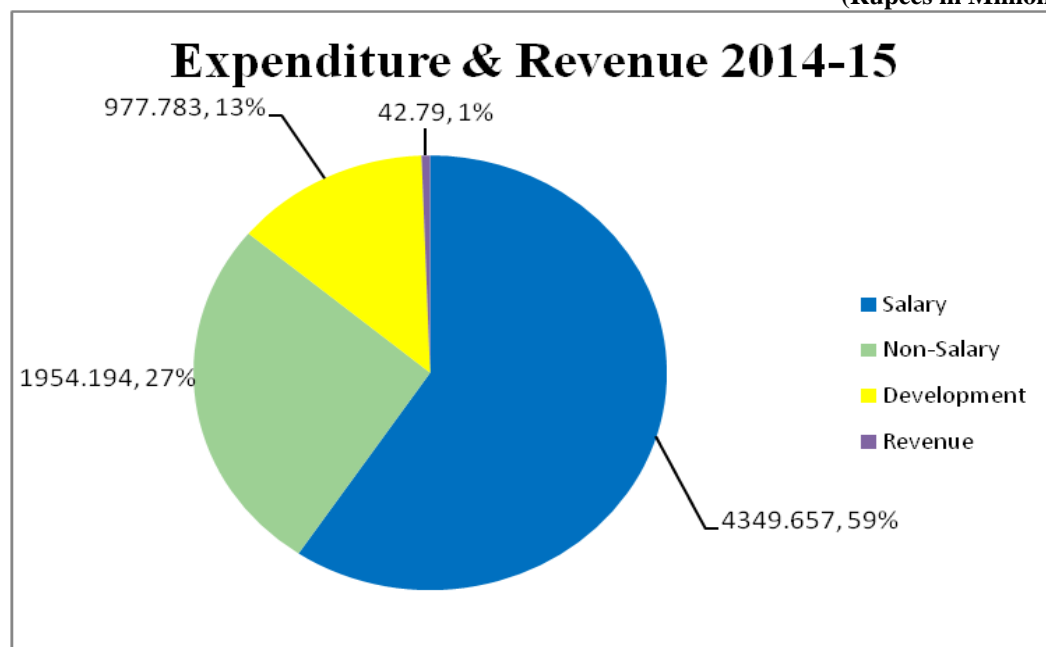
1.1.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form

(Rupees in Million)

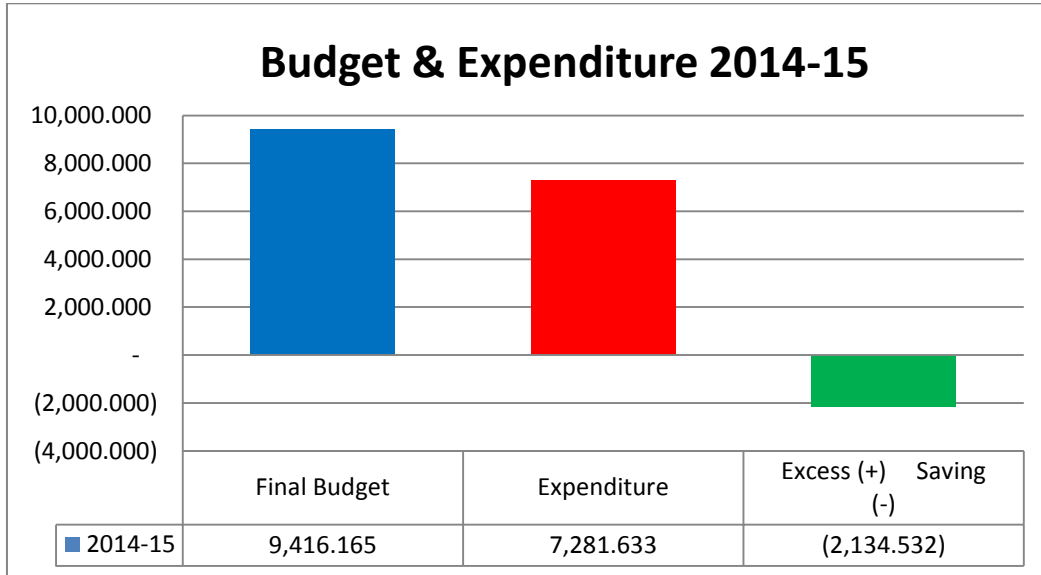
2014-15	Budget	Actual	Excess (+) / Saving (-)	(%) Savings
Salary	4,565.793	4,349.657	-216.136	-5%
Non-salary	2,818.744	1,954.194	-864.550	-31%
Development	2,031.628	977.783	-1,053.845	-52%
Total	9,416.165	7,281.634	2,134.532	23%
Receipts	61.129	42.79	18.339	30%

(Rupees in Million)



As per the Appropriation Accounts 2014-15 of the District Government Vehari, total original budget (Development and Non-Development) was Rs 8,492.872 million, supplementary grant of Rs 923.294 million was provided and the final budget was Rs 9,416.166 million. Against the final budget, total expenditure of Rs 7,281.634 million was incurred by the District Government during the financial year 2014-15. A saving of Rs 2,134.532 million came to the notice of audit, which shows that the District Government failed to provide services and infrastructure development. No Plausible explanation was provided by PAO and the management of District Government Vehari. **(Annex-B)**

(Rupees in Million)



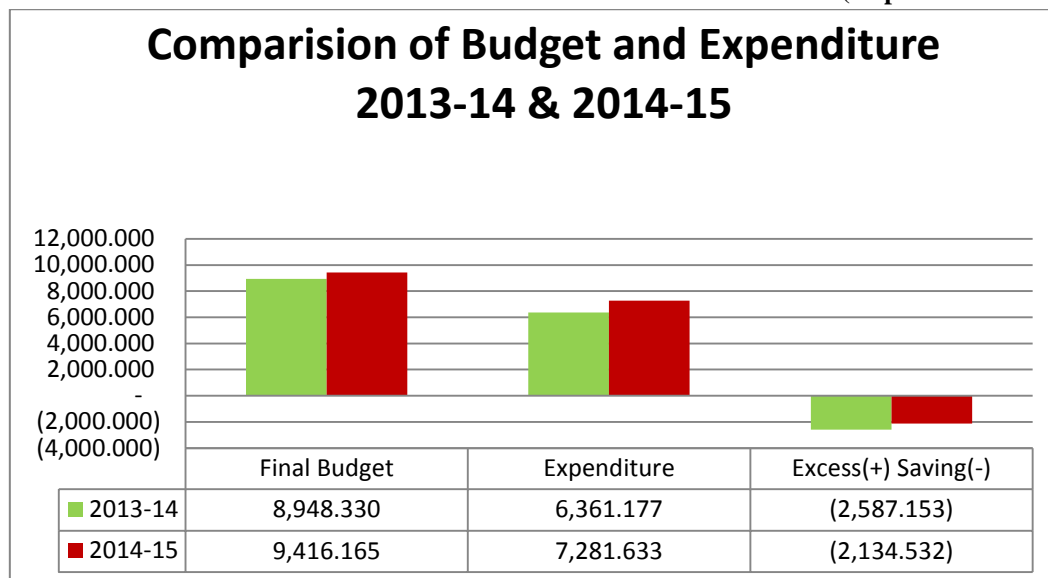
Due to inefficient financial management in release of budget by EDO (F&P), major portion of saving occurred as detailed below:

- In various offices under EDO (Education) saving of Rs 722.603 million (14% of allocation) occurred by over estimating/releasing the budget against the vacant posts despite the fact that no recruitment against these vacant posts was made during the financial year 2014-15. Further funds of School Management Council (SMC) were not utilized despite availability. The same resulted into depriving the students / populace from necessary facilities such as provision of furniture & fixture as well as provision of laboratory equipment.
- In Health Department saving of Rs 149.611 million (11% of allocation) occurred due to non-utilization of budget allocations made under SP-I and SP-II of PMDGP. Health Department finalized the rate contract near the end of the financial year i.e. in June, 2015 resulting in non-utilization of budget for purchase of medicines. This resulted into depriving the populace from better health facilities.

- In Works & Services Department saving of Rs 5.285 million (15% of allocation) occurred due to non-execution/completion of development schemes.

The comparative analysis of the budget and expenditure of current and previous financial years is depicted as under:

(Rupees in Million)



There was 5% and 14% increase in Budget Allocation and Expenditure incurred respectively, while there was overall savings of Rs 2,134.532 million during 2014-15.

1.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2014-15

Audit paras reported in MFDAC of last year Audit Report which have not been attended in accordance with the directives of DAC have been reported in Part-II of Annex-A.

1.1.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years were submitted to the Governor of the Punjab but have not been examined by the Public Accounts Committee.

Status of Previous Audit Reports

S. No.	Audit Year	No. of Paras	Status of PAC/ZAC Meetings
1	2002-03	26	PAC not constituted
2	2003-04	09	PAC not constituted
3	2004-05	19	PAC not constituted
4	*01/07/2005 to 31/03/2008 Special Audit Report	95	PAC not constituted
5	2009-10	35	PAC not constituted
6	2010-11	22	PAC not constituted
7	2011-12	23	PAC not constituted
8	2012-13	12	PAC not constituted
9	2013-14	27	PAC not constituted
10	2014-15	14	PAC not constituted

*Period covered in Special Audit for F.Y 2005-08.

1.2 AUDIT PARAS

1.2.1 Irregularities and Non Compliance

1.2.1.1 Uneconomical purchase through splitting up the sanction – Rs 14.663 million

According to Rule 12 of the Punjab Procurement Rules 2014, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by regulation by the PPRA from time to time. These procurement opportunities may also be advertised in print media, if deemed necessary by the procuring agency.

Following DDOs allowed withdrawal of Rs 14.663 million on account of purchase of various articles, during the periods mentioned against each without advertisement on PPRA's website as well as in other print media or newspapers having wide circulation. The expenditure was also split up to avoid the tendering process and sanction of the competent authority.

(Amount in Rupees)

Sr. No.	Name of Formation	Period	Head of Account Description	Amount
1	DHQ Hospital Vehari	2014-15	Bedding & Clothing	1,181,640
2	THQ Hospital Burewala	2014-15	X-Ray Films	1,066,000
3	DHQ Hospital Vehari	2014-15	X-Ray Films	2,351,105
4	THQ Hospital Burewala	2014-15	Tibbi & Homeo Medicine	1,694,070
5	THQ Hospital Mailsi	2014-15	X-Ray Films, Bedding & Clothing, Machinery & Equipment	2,499,000
6	DDO (Agriculture-Ext.) Vehari	2013-15	Agricultural inputs e.g. fertilizer, pesticides and insecticides	5,871,000
Total				14,662,815

Audit is of the view that due to weak internal controls, uneconomical purchases were made.

Uneconomical purchases resulted in loss to the Government of Rs 14.663 million.

The matter was reported to DCO and concerned DDOs in December 2015. The MS DHQ Hospital replied that all purchases were made for the benefit of needy patients as per time to time demand of various wards of the hospital. The reply was not acceptable as purchases were made without open competition

and consolidated purchases as desired under PPRA Rules. Dy. DO (Agriculture-Ext) and MS. THQ Hospital Mailsi neither submitted any reply nor attended DAC meeting. DAC in its meeting held in December, 2015 decided to keep the para pending till regularization from Punjab Finance Department. No further progress was intimated till the finalization of Report.

Audit recommends disciplinary action against responsible, besides regularization of expenditure from the competent authority, under intimation to Audit.

[AIR Para: 4, 1, 16, 23,18,2]

1.2.1.2 Unauthorized withdrawal of 50% Adhoc Allowance – Rs 6.658 million

According to Para 6 of Government of the Punjab Finance Department letter No.FD.PC.40-04/12 dated 17.04.2012, 50% Adhoc Allowance 2010 is not admissible to those doctors who are drawing PHSRA and Health Professional Allowance, if the amount of both is more than initial basic pay of the scale.

Different DDOs allowed withdrawal of Rs 6.658 million on account of adhoc relief 2010 to the doctors. The doctors were in receipt of PHSRA and Health Professional Allowance which was more than the initial basic pay of their scale. Hence 50% adhoc relief allowance 2010 was not admissible. (**Annex-C**)

(Amount in Rupees)

Sr. No.	DDOs	Amount	AIR Para No.	Reference
1	MS, DHQ Hospital Vehari	277,565	13	Annex C Table-I
2	MS, THQ Hospital Burewala	5,433,155	16	Annex C Table-II
3	MS, THQ Hospital Mailsi	661,325	01	Annex C Table-III
4	SMO RHC Tibba Sultan Pur	285,948	03	Annex C Table-IV
Total		6,657,993		

Audit is of the view that due to weak internal controls and negligence on the part of DDOs, unauthorized adhoc relief allowance was withdrawn.

Unauthorized withdrawal of adhoc relief allowance resulted in loss of Rs 6.658 million to public exchequer.

The matter was reported to DCO and concerned DDOs in December, 2015. DDOs replied that concerned doctors had been directed to deposit the recovery pointed out by Audit. DDOs admitted that 50% adhoc relief allowance 2010 was not admissible to concerned doctors in the light of above notification. MS, THQ Hospital Mailsi neither submitted any reply nor attended DAC meeting. DAC in its meeting held in December, 2015 directed the DDOs to ensure complete recovery at the earliest. However, the major share of the onus laid with the DAO Multan as the gazetted officers were self DDOs. No further progress was intimated till the finalization of Report.

Audit recommends that recovery of adhoc relief allowance of Rs 6.658 million be made from the concerned, under intimation to Audit.

[AIR Para 13, 16, 01, 03]

1.2.1.3 Unauthorized purchase of stationery items – Rs 2.137 million

According to Delegation of Financial Powers 2006, Second Schedule Part-I Sr. No.2(b) (i) (iv) Officers in Category-II can Sanction expenditure on local purchase of items as under Local purchase of stationery including Toners, Ribbons, and Computer related Stationery, up to Rs 0.300 million during the financial year. According to Rule 15.5 of the PFR, Vol-I, all materials received should be examined, counted when delivery is taken and they should be kept in charge of a responsible Government servant. The receiving Government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock registers. When materials are issued a written acknowledgement should be obtained from the person to whom they are ordered to be delivered or dispatched. The Government servant in charge of the stores should see that an indent in PFR Form 26 has been made by a properly authorized person.

DO (Labour) Vehari withdrew funds of Rs 2.137 million on account of Stationery charges beyond the delegated financial powers during the period 2011-13. DO (Labour) incurred expenditure of Rs 1,046,232 & Rs 1,090,417 respectively during 2011-12 & 2012-13 (**Annex-D**). The entire expenditure was held unauthorized on following grounds as well:

- Neither any stock entry was made nor consumption record of stationery purchased available in the office. In the absence of stock entries and consumption record, whole expenditure seemed to be unjustified /doubtful.
- No advertisement was made on PPRA website to ensure the competition. Bills were withdrawn during one month by splitting the value of indent.
- In cash book no entry of bill drawn was available.

Audit is of the view that due to weak internal controls, purchases beyond the delegated financial powers and without maintenance of proper record were made.

Purchases beyond delegated financial powers without maintenance of proper record resulted in unauthorized expenditure of Rs 2.137 million.

The matter was reported to DCO and concerned DDO in December, 2015. DDO neither submitted any reply nor attended DAC meeting held in December, 2015. No further progress was intimated till the finalization of Report.

Audit recommends disciplinary action against the concerned for misappropriation, besides recovery of loss of Rs 2.137 million, under intimation to Audit.

[AIR Para: 02]

1.2.2 Performance

1.2.2.1 Non-recovery of rent of land – Rs 4.692 million

According to Rule 76 of PDG & TMA (Budget) Rules, 2003, the Collecting Officers shall ensure that all revenue due is claimed, realized and credited immediately into the Local Government Fund.

Deputy District Officer Agriculture (Ext.) Vehari being controlling officer and Farm Manager of Govt. Seed Farm Vehari did not recover rent from tenants amounting to Rs 4.692 million during 2013-2015 in violation of above rule for land use (**Annex-E**)

Audit is of the view that due to weak financial management, the recovery of rent from tenants was not made properly.

Non recovery of rent from tenants resulted in loss to the Government of Rs 4.692 million.

The matter was reported to DCO and concerned DDO in December, 2015. DDO neither submitted any reply nor attended DAC meeting held in December, 2015. No further progress was intimated till the finalization of Report.

Audit recommends that recovery of Rs 4.692 million from tenants be made, besides disciplinary action against the person responsible for non recovery, under intimation to Audit.

[AIR Para No.01]

1.2.2.2 Non-recovery of sale proceeds of various farm produce – Rs 1.253 million

According to Rule 76 of PDG & TMA (Budget) Rules, 2003, the Collecting Officers shall ensure that all revenue due is claimed, realized and credited immediately into the Local Government Fund.

Deputy District Officer (Agriculture-Ext.) Vehari recovered an amount of Rs 6.612 million against the total recoverable amount of Rs 7.869 million on account of sale proceeds of various farm produce as revealed from record

resulting in less recovery of Rs 1.253 million during financial year 2013-14. The detail is as under:

(Amount in Rupees)

Sr. No.	Name of Produce	Total Amount of Sale Proceed Including Income Tax	Amount Recovered	Balance Recoverable
1	Sugarcane	1,318,682	925,733	392,949
2	Barseem Fodder	921,718	363,256	558,462
3	Maize Fodder	651,622	357,297	294,325
4	Rice	4,977,375	4,970,000	7,375
Total		7,869,397	6,616,286	1,253,111

Audit is of the view that due to weak financial management, sales proceeds were not recovered from the bidders.

Non-recovery from bidders resulted in loss to the Government of Rs 1.253 million.

The matter was reported to DCO and concerned DDO in December, 2015. DDO neither submitted any reply nor attended DAC meeting held in December, 2015. No further progress was intimated till the finalization of Report.

Audit recommends disciplinary action against the responsible, besides recovery of Rs 1.253 million from concerned, under intimation to Audit.

[AIR Para No.03]

1.2.3 Internal Control Weaknesses

1.2.3.1 Recovery on account of grant of advance increments – Rs 8.542 million

In the light of the judgment of Honorable Supreme Court of Pakistan in CPLA-3229-3229-1/02 announced on 04.01.03, circulated by Finance Department, Government of the Punjab, letter issued vide No FD-PR-21-3/04 dated 05.11.2004, Elementary school teachers in all cadres, drawing pay in BPS-14 are not entitled to advance increments on acquiring higher qualification of B.Ed. and M.A. w.e.f 08.05.1998.

District Officer (SE) Vehari did not ensure proper pay fixation of various cadres of elementary school teachers posted in various High/Higher Secondary Schools of Vehari under his administrative control in the light of above stated judgment of Honorable Supreme Court of Pakistan and instructions of the Government of the Punjab. In this regard service books of few elementary school teachers in all cadres who were drawing pay in BPS-14 were scrutinized and it was found that they were in receipt of advance increments on acquiring higher qualification of B. Ed. and M.A. w.e.f 08.05.1998, for which they were not entitled. Thus over payment worth Rs 8.542 million was made due to non fixation of pay according to the decision of Supreme Court of Pakistan and instructions of Government.

Audit is of the view that due to weak internal control and negligence on the part of education department and District Accounts Office, over payment was made.

Over payment of unauthorized advance increments resulted in loss to the Government of Rs 8.542 million.

The matter was reported to DCO and concerned DDO in December 2015. DO (Secondary Education) replied that directions had been issued to all concerned for re-fixation of pay and ensuring the deduction of overpaid amounts in salaries. DAC in its meeting held in December, 2015 directed the DDO to ensure complete recovery at the earliest. No further progress was intimated till the finalization of Report.

Audit recommends that over payment of Rs 8.542 million on account of advance increments be recovered from the concerned and credited into the Government treasury, under intimation to Audit.

[AIR Para No.01]

1.2.3.2 Purchase of dialysis machines on higher rates – Rs 1.478 million

According to Award Letter No 14792 dated 31.12.14 issued by MS DHQ Hospital Vehari to the supplier vide Condition No. 14, if the rates mentioned in this award of rate contract are found more than the rates offered by the firm to any other Government Organization / Department, or found more than the rates concluded by the government of the Punjab Health department during the corresponding period or any item, the firm will be bound to refund any such difference of rates. The firm will have to submit affidavit on stamp paper (worth Rs.100) in this regard.

DCO Vehari made excess payment of Rs 1.478 million during 2014-15 out of SDA account of DCO & EDO (F&P) Vehari to a supplier for supplying of six dialysis machines for the DHQ Hospital Vehari despite the fact that the same model of machines were purchased by the EDO (Health), Multan from the same firm on lower rates during 2014-15. Purchase of machines on higher rates resulted into loss to government of Rs 1.478 million. The detail is as under:

(Amount in Rupees)

Document No.	Quantity	Rate	Rate of District Multan Purchased	Excess Rates	Excess Amount
100679517	6	1,248,000	1,001,560	246,440	1,478,640

Audit is of the view that due to weak financial management, purchase of dialysis machines was made on higher rate.

Purchase of dialysis machines on higher rates resulted in loss to the Government of Rs 1.478 million.

The matter was reported to DCO and concerned DDO in December, 2015. DDO did not submit any reply. However, DDO attended the DAC meeting held

in December, 2015 but did not discuss the para of SDA account. No further progress was intimated till the finalization of Report.

Audit recommends disciplinary action against the responsible for purchase of machines on higher rates, besides recovery of over payment of Rs 1.478 million from the supplier, under intimation to Audit.

[AIR Para: 11]

Annex

Annex-A

Part-I

**Memorandum for Departmental Accounts Committee Paras pertaining to
current Audit Year 2015-16**

(Rupees in Million)

Sr. No.	Name of Formation	Para No.	subject	Amount
1	DO (OFWM) Vehari	8	Excess payment of bricks & cements of WUAS than the actual vouchers	1.033
2		11	Less deduction of income tax on material cost for watercourses improvement	0.128
3		13	Less deduction of sales tax on bricks	0.143
4	RHC Tibba Sultan Pur	1	Unauthorized splitting and uneconomical expenditure of x-ray films to avoid the open competition	0.57
5		4	Recovery of unjustified payment of pay & allowances in the absent period	0.465
6		5	Irregular purchases of medicines beyond the delegated financial power and without observing PPRA rules	0.698
7		6	Uneconomical purchase of medicines without quotations	0.699
8		9	Non-recovery of penal rent due to unauthorized occupation of government residence	0.6
9		10	Unauthorized payment of conveyance allowance	0.334
10		11	Recovery of un-authorized withdrawal of allowances during leave periods	0.182
11	DO (Roads)	1	Doubtful release of security deposit on previous year deposit register	0.501
12		2	Fictitious tendering without purchase of tender forms	10.086
13		3	Acceptance of tender through unauthorized negotiation	8.673
14		4	Unauthorized payment to contractor without agreement	5.107
15		6	Excess payment to contractor without deduction of price variation of bitumen and high speed diesel	0.706
16		8	Overpayment to contractor due to non-deduction of price variation bitumen	0.256

Sr. No.	Name of Formation	Para No.	subject	Amount
17		10	Non-recovery of compensation for non-completion of work within time limit	0.667
18		11	Loss to government due to non-deduction of price variation bitumen	0.146
19		13	Non recovery of rent of petrol pumps approaches	0.24
20		14	Overpayment to contractor due to non-deduction of price variation	0.161
21		15	Unclaimed securities not credited to government account	3.291
22		17	Overpayment to contractor due to non-deduction of price variation	0.197
23		EDO (Education)	2	Non-collection of proof of deposit of sales tax
24	3		Non recovery of liquidated damages	0.414
25	5		Adversely affect of the services of employees due to non-regularization of services and payment of SSB	3.987
26	6		Recovery due to payment of unauthorized conveyance allowance to teachers during summer vacation	7.073
27	7		Unauthorized payment of conveyance allowance for employees availing the government vehicles and recovery	0.55
28	THQ Hospital, Burewala	4	Non-deduction \ short deduction of income tax	0.085
29		6	Non-obtaining of performance guarantee from successful contractor	0.127
30		10	Purchase of LP medicine at higher rates than the printed rates resulted into overpayment	0.199
31		12	Payment to the suppliers without deduction of liquidity damages	0.461
32		13	Short deduction income tax	0.085
33		14	Excess payment due to wrong calculations	0.045
34		17	Non recovery of electricity charges from the contractor of canteen	0.12
35		18	Non-deposit of government receipts	0.026
36		19	Recovery of excess withdrawal of HSRA	0.031

Sr. No.	Name of Formation	Para No.	subject	Amount
37		20	Non regularization of employees working on contract and withdrawal of social security benefits	0.04
38		22	Likely misappropriation on account of withdrawal of pay and allowances through manual bills without maintenance of record and entry in cash book	2.21
39		24	Excess charging of rates of POL than the rates given on OGRA web sites	0.036
40	DO (Secondary Education)	3	Drawl of conveyance allowance during leave period	0.684
41		4	Loss to govt. due to non auction of dried fallen/standing trees	1.095
42		5	Non production of deposit proof of GST	0.388
43		6	Improper pursuance of theft case of I.T laboratory	0.403
44	Head Mistress, Govt. Special Education Center, Burewala	1	Non recovery of liquidated damages due to late supply	0.021
45		2	Recovery of overpayment of pay and allowances	0.07
46		3	Non auctioning of condemned government vehicle	-
47		7	Non collection of proof of deposit of sales tax	0.06
48	DO Forest	5	Non- recovery of loss to government due to theft of road side trees	0.151
49	RHC Garah More	1	Unauthorized purchase of LP medicines recovery thereof	0.291
50		3	Excess expenditure on L.P medicine	1.376
51		4	Splitting of expenditure and violation of austerity measures	0.891
52		5	Non-collection of proof of deposit of sales tax	0.553
53		8	Unauthorized payment of pay and allowances during absent period and recovery	0.037
54	DO Civil Defence	6	Irregular drawl of TA/DA	0.065

Sr. No.	Name of Formation	Para No.	subject	Amount
55		8	Non – verification of general sales tax deposit into government treasury	0.037
56	GGHS 180 / EB, Vehari	1	Shortage of assets pointed out during physical verification	0.104
57		2	Expenditure without any work executed / purchases made	0.03
58		3	Non verification of sales tax	0.1
59		4	Misclassification of expenditure	0.067
60		5	Recovery of overpayment on account of conveyance allowance during winter vacations	0.045
61		6	Non-accountal of stocks and stores	0.172
63		7	non deduction of GST / PST	0.021
65	DO (Buildings) Vehari	7	Non-imposition of penalty / short imposition of penalty on late completion of works	5.466
66		11	Non-deduction of amount of substandard steel from contractor	0.02
67		15	Non-recovery of penalty charges from contractors on late renewal of categories recovery thereof	0.132
68		17	Recovery due to payment of earth from outside source despite availability of surplus earth	0.294
69		21	Excess payment due non-deduction of local sand rate	0.475
70	Dy. DEO (EE-M), Burewala	1	Unjustified drawl of conveyance allowance during leave period	0.178
71		2	Unjustified drawl of pay & allowance during without pay leave period	0.251
72		3	Unjustified drawl of allowance, recovery	0.09
73		5	Unjustified drawl of conveyance instead of having designated vehicle	0.202
74		7	Unjustified payment of social security benefits, non recovery	2.86
75		8	Non production of various office record	0.597
76		9	Unjustified auction of trees & non deposit of auction amount in govt. treasury	0.201
77		10	Unjustified drawl of charge allowance by the PST teachers without charge of	0.733

Sr. No.	Name of Formation	Para No.	subject	Amount
			having head ship charge & also in middle schools, recovery	
78		13	Unjustified expenditure by GPS/ 459-EB without maintain cash book & stock registers	0.827
79		16	Non production of record of NSB expenditure of various schools	6.78
80		17	Loss to government due to purchase of different articles from NSB fund from unregistered suppliers , non deduction of sales tax & income tax	2.079
81		18	Non verification of deposit of sales tax on purchases made by schools	1.17
82		19	Non deduction of income tax & sales tax on the expenditure incurred through NSB	1.29
83		20	Non-payment / deduction of 16% Punjab sales tax on services	4.599
84		1	Non imposition of penalty for late completion of works and recovery	6.11
85		3	Non deposit of penalty for late renewal contractor license	0.302
86	EDO (W&S), Vehari	5	Unjustified payment of conveyance allowance during earned leave of officials	0.112
87		6	Unjustified payment of pay & allowances in the absent period	0.084
88		7	Recovery of unjustified payment of pay & allowances in the absent period	0.067
89		1	Irregular purchase of medicines on quotations by splitting the indents & recovery	1.589
90		2	Misappropriation on purchase of x-ray cassettes installation of x-ray unit & recovery	0.04
91		3	Unauthorized payment of Adhoc allowance	0.256
92	RHC 188 EB, Vehari	4	Likely misappropriation on account of withdrawal of pay and allowances through manual bills without maintenance of record and entry in cash book	0.279
93		5	Unauthorized purchase of LP medicines and recovery thereof	2.35
94		7	Excess payment of pay and allowances.	0.168
95		8	Non-collection of proof of deposit of	0.19

Sr. No.	Name of Formation	Para No.	subject	Amount
			sales tax	
96		9	Irregular purchase by splitting the indents	1.492
97		10	Drawl of funds by maintenance of fake documents	0.113
98		12	Lapse of non development budget	2.211
99		1	Non verification of sales tax	0.08
100	GHS Dad Jamlera, Burewala	2	Recovery of overpayment on account of conveyance allowance during winter vacations	0.031
101		3	Non maintenance of tree register for the trees	2
102		4	Non maintenance of donation register	0.5
103		5	Excess payment due to wrong calculations in billing	0.05
104		6	Non maintenance of cash book for expenditure	1.173
105		7	Non accountal of stocks and stores	0.225
106		8	Non deduction of GST / PST	0.03
107		9	Overpayment of qualification allowance without entitlement	0.023
108		10	Overpayment of pay and allowances from the cost center after transfer	0.037
109		DHQ Hospital, Vehari	1	Recovery due to unjustified payment of social security benefit to employees who regularized during 2014-15.
110	2		Recovery on account of theft of medicines	0.374
111	3		Misappropriation of hospital medicine due to excess / less consumption of medicine in daily expense book from items issued from store book	0.2
112	8		Non recovery of rent & conveyance allowance from the employee residing in government house at DHQ Hospital Vehari.	0.773
113	9		Recovery on account of less handing over medicines at the time of shifting of charge of medicines.	0.082
114	10		Non deposit of government receipt	1.094
115	11		Misappropriation of government medicines by the staff of emergency night.	2.316
116	15		Recovery on account of excess rate	0.116

Sr. No.	Name of Formation	Para No.	subject	Amount
			charged of P.O.L	
117		17	Irregular execution of contract for purchase of gases.	3.556
118		19	Unnecessary purchase of dental needle No. 27 (10000 Nos)	0.09
119		21	Non-forfeiture of security deposit of defaulter firms due to non-supply of medicine.	1.277
120		24	Misappropriation of hospital items due to excess /less consumption of items in daily expense book from items issued from store book	0.377
121		25	Irregular purchase of stromatolyser and cell pack	1.119
122		26	Recovery on account of non entry of P.O.L in log books.	0.137
123		1	Non acountal of stocks and stores	2.603
124		2	Non maintenance of tree register for the tree	0.92
125		3	Excess payment on account of charge allowance to employees not entitled to draw the same	0.104
126		4	Excess payment of conveyance allowance during summer vacation	-
127		5	Recovery of overpayment on account of conveyance allowance during winter vacations	0.67
128		6	Excess payment of sales tax	0.375
129	Dy. DEO (EE-W) Mailsi	7	Overpayment due to non stoppage of increment due to poor result	0.528
130		8	Non deduction / deposit of PST	0.171
131		11	Doubtful expenditure incurred by school	0.037
132		12	Non deduction of income tax on the expenditure incurred through SMC from NSB	0.342
133		15	Recovery of conveyance allowance withdrawn during leave	0.895
134		16	Non verification of deposit of sales tax on purchases made by schools	1.106
135		17	Unauthorized payment of pay and allowances during leave without pay	0.15
136		18	Unauthorized payment of pay and	0.1

Sr. No.	Name of Formation	Para No.	subject	Amount	
			allowances during undue leave (leave without pay)		
137		19	Overpayment due to non stoppage of increment untrained teacher	0.05	
138	DCO	2	Doubtful award of honorarium without recommendation of monitoring committee & non deduction of income tax on honoraria	0.027	
139		3	Misclassification of expenses	0.141	
140		4	Non collection of proof of deposit of sales tax	0.125	
141		7	Unjustified excess payment of allowance	0.009	
142		8	Fraudulent drawl of amount & bogus physical verification without receiving electro medical equipment's	1.07	
143		9	Loss to government due to unjustified extension in rate contract of electro medical equipment's without considering low exchange rates of foreign currency	7.46	
144		10	Unjustified extension in rate contract of electro medical equipment's without approval of finance department	80.786	
145		12	Loss to govt. due to purchase of fowler bed on higher rates by ignoring the lowest rate	3.48	
146		13	Unjustified purchase of pneumatic drill from non prequalified firm	13.582	
147		14	Non production of record of electro medical equipment under scheme named construction of blood bank	2.24	
148		15	Unjustified purchase of medical equipment's from black listing firms	9.19	
149		16	Loss to government due to non-payment of income tax	0.823	
150		17	Loss to government due to non collection of liquidated damages	1.615	
151		18	Non deposit of tender fee	0.01	
152		19	Non-payment of professional tax	0.038	
153		20	Unjustified purchase of electro medical instruments	91.549	
155		EDO (F&P)	2	Unauthorized payment to work charge employee and excess payment	0.136
156			4	Non-deduction of income tax on	0.536

Sr. No.	Name of Formation	Para No.	subject	Amount
			honoraria	
157		7	Irregular payment of 30% SSB allowance	0.038
158		11	Non-recovery from petrol pumps of district Vehari	0.277
159		12	Non-collection of proof of deposit of sales tax	0.099
160		13	Non deposit of pension contribution	8.633
161	District Officer (Livestock)	5	Loss to govt. due to non auction of dried fallen/standing trees	0.185
162		7	Less deposit of vaccines receipts – recovery thereof	0.13
163		9	Overpayment on account of fixed TA	0.062
164	District Officer (Labour)	1	Unauthorized expenditure on purchase of Stationery	2.14
165		3	Non maintenance of cash books of expenditure	10.618
166		4	Unjustified doubtful purchase of other store items due absence of stock entry & consumption record	0.577
167		5	Non production of record of payment	0.798
168		6	Non / less deduction of income tax	0.108
169		7	Non / less deduction of income tax	0.108
170		8	Non verification of receipt challans from DAO Lodhran	3.134
171		THQ Hospital Mailsi	2	Excess withdrawal of HSRA
172	3		Unauthorized payment of HSRA without entitlement	0.12
173	4		Difference between FI data and expenditure statement	0.068
174	5		Unauthorized withdrawal of health risk allowance	0.01
175	6		Excess payment of house rent and conveyance allowances to the employees having government accommodation within the work premises	0.142
176	7		Unauthorized withdrawal of non-practicing allowance	0.032
177	8		Unauthorized drawl of pay and allowances without performance of duties	0.23
178	9		Non-recovery of penal rent due to unauthorized occupation of government residence beyond entitlement	0.708
179	10		Irregular withdrawal of POL and	0.282

Sr. No.	Name of Formation	Para No.	subject	Amount
			disbursement in cash instead of crossed cheques	
180		11	Excess drawl of health professional allowance	0.055
181		12	Likely misappropriation on account of withdrawal of pay and allowances through manual bills without maintenance of record and entry in cash book	1.36
182		13	Late deposit of government receipts	0.746
183		14	Unauthorized purchase of LP medicines recovery thereof	13.088
184		15	Excess expenditure on L.P medicine than the provision of budget allocation	10.539
185		16	Irregular purchase of medicines on quotation basis without observing PPRA rules, recovery thereof	1.113
186		17	Non- obtaining of performance guarantee from suppliers	0.124
187		19	Irregular / doubtful repair of generator without observing PPRA rules	0.283
188		20	Irregular / doubtful repair of ultrasound machine and machinery & equipment without observing PPRA rules	0.456
189		21	Irregular / doubtful purchase of cost of other store items without observing PPRA rules	0.623
190		22	Irregular expenditure on printing	0.494
191		23	Irregular / doubtful purchase of stationery without observing PPRA rules	0.187
192		24	Unauthorized clearance of pending liabilities without allocation of funds	0.756
193		25	Excess payment on purchase of medicine from same supplier with same financial year	0.034
194		26	Less deduction of income tax	0.338
195		27	Non- obtaining of performance guarantee from suppliers	1.165
197		28	Non recovery of liquidated damages	0.039
198	EDO (Health)	3	Unjustified / irregular drawl of pay & allowances while on general duty	3.207
199		4	Loss to government due to unjustified low mileage per liter	1.38
200		8	Payment of sales tax against fake sales	0.037

Sr. No.	Name of Formation	Para No.	subject	Amount
			tax invoice and non- collection of proof of sales tax deposit	
201		10	Non-production of record of drug samples	-
202	Nursing School	1	Non recovery on account of unjustified payment of stipend to miss Sahida Perveen d/o Muhammad Hussain student of Ist year 2010	0.17
203		2	Recovery due to unjustified payment of social security benefit to employees who regularized during 2009-10	0.104
204		3	Unjustified payment of stipend to Urooj Saleem student (first year in 2/2014	0.189
205		4	Recovery on account of unjustified payment of conveyance allowance	0.094
206		5	Non deposit of sale tax	0.135
207		6	Irregular purchase of barbed wire	0.137
208		7	Non recovery on account of absence of Saima Maskeen student nurse of 3 rd year 2010	0.202
209		8	Non utilization of budget allocation during 2009 to 2015	0.609
210		9	Unjustified payment of areas in electricity bill	0.626
211		10	Irregular purchase of oxygen gas	0.965
212		11	Recovery on account of payment of failed students	0.018
213	Dy. DO (Agriculture)	4	Irregular drawl of salaries without performance of duty by field assistants	7.866
214		5	Non-recovery of license renewal fee from pesticide dealers	1.74
215		6	Loss to govt. due to irregular disbursement of TA / DA	1.542
216		7	Un-authorized payment of travelling allowance to baildars & class-IV employees	1.078
217		8	Non auction of wheat bhoosa rabi, 2014-15 quantity 155363 kg	0.776
218		9	Non-collection of deposit proof of GST	0.292
219		10	Illegal encroachment of state land by un-authorized occupants at agriculture officer center Luddan without payment of rental charges (approximate)	0.216
220		11	Loss to govt. due to non auction of 64	0.56

Sr. No.	Name of Formation	Para No.	subject	Amount
			dried fallen/standing trees	
221		12	Loss sustained to government due to non recovery of renewal of license of cotton factory along with fine	0.172
222		13	Loss to govt. due to short recovery of wheat seed from Punjab Food Department and Punjab Seed Corporation	0.372
223		14	Loss to govt. due to low yield by qualified staff as compare to pattadarain	0.408

Part-II**Memorandum for Departmental Accounts Committee Paras not attended in accordance with the Directives of DAC pertaining to Audit Year 2014-15****(Rupees in Million)**

DDOs	Sr. No.	Para No.	Subject	Amount
District Coordination Officer	1	18	Unjustified expenditure on repair machinery & equipment	0.196
	2	19	Irregular expenditure on repair furniture	0.196
	3	20	Irregular expenditures on repair of vehicle	0.172
	4	23	Irregular purchase without specification	0.137
Executive District Officer (F&P)	5	3	Doubtful expenditure on flood emergency out of unforeseen expenditure for disaster without maintenance of relevant record	0.352
	6	10	Unauthorized release of sports funds to TMA out of district	1.620
	7	12	Loss to govt. Due to unauthorized appointment of staff on daily wages and withdrawal of wages out of irrelevant object head	0.075
Executive District Officer (Health)	8	1	Loss to govt. due to purchase of LP medicine on higher rates above than printed price	0.068
	9	6	Unjustified drawl of POL	0.033
	10	9	Non collection of proof of deposit of sales tax	0.077
	11	12	Unjustified expenditure on up gradation of DHQ hospital	17.500
District Officer (Health)	12	5	Acceptance of medicines against the term and conditions of supply order	0.598
	13	6	Loss to government due to excess withdrawal without receipt of medicine and other material, recovery thereof	0.474
	14	7	Unauthorized clearance of pending liabilities without allocation of funds	1.152
	15	8	Doubtful withdrawal of TA/DA recovery thereof	0.541
	16	9	Excess withdrawal of POL through recording the excess millage recovery thereof	0.099
	17	11	Loss to government due to non regularization of employees working on contract and withdrawal of social security benefits	0.340

DDOs	Sr. No.	Para No.	Subject	Amount
	18	14	Non-verification of GST paid to different suppliers	0.306
	19	15	Non-availability of vouched account	0.305
Deputy District Officer (Health) Mailsi	20	2	Record not produced to audit for the period 2001-09	6.000
	21	4	Unjustified payment on account of TA	0.177
	22	5	Non deduction of GST	0.017
MS DHQ Hospital	23	5	Loss to government due to non recovery of arrears from cycle stand contractor	0.446
MS DHQ Hospital	24	6	Unauthorized clearance of pending liabilities of the previous financial year(s) without allocation of funds	1.685
	25	8	Illegal supply of electricity to the canteen contractor recovery thereof	0.324
	26	17	Overpayment on account of purchase of POL for generators and ambulances	0.052
	27	18	Non condemnation / auction of the unserviceable articles valuing hundreds of thousands of rupees	0.000
	28	20	Unauthorized cancellation of the auction of cycle stand parking fee and loss to government	0.540
	29	21	Unauthorized expenditure on POL of generator of 45 KVA power	0.259
	30	22	Misappropriation of funds on account of POL of ambulances	0.094
Tehsil Headquarter Hospital, Burewala	31	1	Irregular expenditure on local purchase of medicine than ratio defined	4.395
	32	2	Unjustified heavy drawl of POL	3.276
	33	4	Loss to Govt. due to un-authorized budget allocation for contingent paid staff	1.690
Tehsil Headquarter Hospital, Burewala	34	5	Non auction of articles approximate valuing	1.200
	35	6	Un-authorized purchases without advertisement in PPRA	0.979
	36	10	Excess payment to supplier and recovery thereof	0.500

DDOs	Sr. No.	Para No.	Subject	Amount
	37	13	Non deduction of 5% maintenance charges, conveyance allowance & health professional allowance and recovery thereof	0.258
	38	17	Non deduction of income tax on auction amount of cycle stand and canteen	0.121
	39	18	Non deposit of govt. Fees	0.105
Smo Rural Health Center 148/Eb, Burewala	40	1	Irregular clearance of pending liabilities without allocation of funds	0.221
	41	3	Recovery of house rent allowance and 5% maintenance charges from official residing in official accommodation	0.543
	42	5	Over drawl of health professional allowance by the health professionals and recovery thereof	0.029
District Officer (Environment)	43	2	Unauthorized/illegal constructions without obtaining of NOC from environment protection department and recovery on account of NOC fee	0.540
District Officer (Environment)	44	4	Irregular expenditure on account of purchase of stationery items	0.281
	45	5	Non collection of proof of deposit of sales tax	0.220
District Officer (Sports)	46	1	Excess withdrawal of funds on account of daily allowance and recovery	0.608
	47	2	Unauthorized payment of daily allowance and recovery	0.547
	48	3	Unauthorized allocation of sports budget as ADP budget	5.203
	49	4	Non production of record	1.387
	50	5	Non- obtaining of ex-post facto sanction district sports committee	5.203
	51	6	Unauthorized appointment of daily wages employees	0.127
	52	7	Doubtful withdrawal of funds on account of kabadi match	0.750
	53	9	Doubtful payment of cash prizes	0.184
Executive District Officer (Education)	54	8	Non-deduction of sales tax and income tax	0.442
	55	12	Improper maintenance of stock register and store of literacy kits	4.240

DDOs	Sr. No.	Para No.	Subject	Amount
Dy. DEO (EE-W) Burewala	56	1	Irregular retention of closing balances	5.384
Dy. DEO (EE-W) Burewala	57	7	Non recovery / deposit of sales tax / income tax on the expenditure incurred through SMC	0.422
	58	8	Irregular drawl of social security benefit	0.496
	59	11	Unauthorized excess withdrawal of pay and allowance recovery thereof	0.108
	60	12	Non deduction of increments despite penalty imposed by the competent authority	0.091
GHSS Gaggoo	61	2	Irregular expenditure on contingencies	0.814
	62	5	Irregular incurring of SMC funds and non-deduction of withholding income tax	0.118
District Officer (Livestock)	63	2	Irregular issuance of supply order in the absence of budget	8.200
District Officer (Roads)	64	13	Non-recovery of pay & allowances of absent employee	0.062
	65	15	Non-reconciliation of bitumen account and non-recovery of overpaid amount	0.450
District Officer (Forests)	66	7	Loss to government due to damage of woods	0.065
	67	8	Non-claiming of agri forestry land situated at Rakh Jamlera forest and loss to government	0.000
District Officer (OFWM)	68	2	Non-deposit of general sales tax on purchase of nakkas	0.674
	69	4	Non completion of regular watercourses within stipulated time period	3.404
	70	5	Unjustified completion of watercourses on minimum lining (pacca work) due to non procurement of material from farmers shares	10.977
District Officer (Building)	71	8	Irregular delay in acceptance of tenders	6.928
	72	10	Unauthorized possession and late deposit of additional performance securities	2.477
	73	11	Unauthorized refund of additional performance securities before prescribed period	0.531
	74	16	Non imposition of penalty for late completion of works and recovery	2.471
	75	18	Non-deposit of unclaimed securities in	0.578

DDOs	Sr. No.	Para No.	Subject	Amount
			government treasury	
	76	20	Recovery due to payment of earth from outside source despite availability of surplus earth	0.091
MS THQ Hospital Mailsi	77	6	Recovery of 5% maintenance charges on house accommodation	0.112
	78	8	Over drawl of health professional allowance by the health professionals and recovery thereof.	0.211
	79	9	Loss to government due to unjustified purchase of vaccine from local market on high rate instead of national institute of health Islamabad	0.333
	80	19	Less deduction of income tax on purchase of medicines	0.004
SMO RHC Karam Pur	81	1	Non forfeiture of securities despite non/short supply of medicine	0.126
	82	2	Unauthorized acceptance of medicine in excess of supply order	0.344
SMO RHC KaramPur	83	3	Unauthorized purchase of medicines on simple quotations instead of tendering process	0.101
	84	4	Loss to government due to excess withdrawal without receipt of medicine on stock register, recovery thereof	0.039
	85	6	Unauthorized expenditure on purchase of medicines without any demand	0.548
	86	7	Recovery of overpayment on account of conveyance allowance and HSRA during general duty and leave period	0.216
	87	8	Non-verification of deposit of general sales tax	0.141
	89	9	Unauthorized misclassification of expenditure	0.215
	90	10	Doubtful difference between departmental expenditure statement and FI data maintained in district accounts office	0.808
District Coordination Officer	91	2	Irregular payment due to unauthorized physical verification	17.599
	92	8	Illegal purchase of medical equipment through fake technical engineer	15.735
	93	9	Unjustified purchase of machinery & electro medical equipment due to different specification	8.319

DDOs	Sr. No.	Para No.	Subject	Amount
	94	10	Unjustified purchase of electro medical equipment at exorbitant rate	4.773
	95	14	Irregular sanction of expenditures beyond delegated financial powers	0.935
Executive District Officer (F&P)	96	1	Unauthorized releases of supplementary grants beyond the delegated financial powers	124.242
	97	11	Non-collection of pension contribution funds from the different departments of district government	12.348
District Officer (Health)	98	16	Doubtful withdrawal on purchase of different medicine	1.462
Deputy District Officer (Health) Mailsi	99	1	Record not produced to audit for the period 2001-09	6.000
District Officer (Sports)	100	8	Unauthorized released of funds to TMA Burewala	1.620
Executive District Officer (Education)	101	3	Non-collection of proof of deposit of sales tax	6.485
	102	7	Non-auction of old computer systems of it labs	1.757
Dy. DEO (EE-M) Mailsi	103	4	Non-deduction of conveyance allowance of winter vacations recovery thereof	1.513
District Officer (Roads)	104	9	Securities deducted & retained since long but not credited to account-iv	2.809
District Officer (Forest)	105	1	Loss to government due to non-auctioning of old / dry trees (approx.)	1.540
District Officer (OFWM)	106	6	Loss to government due to deterioration of government machinery and instruments	4.700
SMO RHC Karam Pur	107	5	Uneconomical purchase of medicines on simple quotations through splitting the procurements	1.68
DO(Buildings)	108	15	Doubtful difference between departmental expenditure statement and FI data maintained in district accounts office	1.512

Annex-B

**Summary of Appropriation accounts by grants for the
Financial Year 2014-15**

(Rupees in Million)

No. & Name of the Grant / Appropriation	Voted / Charged	Original Grant	Supplementary Grant	Final Grant	Actual Expenditure	Variation	
						(+) Excess	(-) Saving
						<u>Non Development</u>	
Provincial Excise.	Voted	6.778	0	6.778	5.290	-1.488	
Forests.	Voted	22.246	1.276	23.522	20.449	-3.074	
Charges on A/c of M. Veh. Act.	Voted	2.218	0	2.218	1.421	-0.797	
Other Taxes & Duties.	Voted	7.823	0	7.823	6.336	-1.487	
General Administration.	Voted	218.575	0	218.575	91.348	-127.227	
Education.	Voted	5,206.279	19.161	5,225.440	4502.837	-722.603	
Health Services.	Voted	1,256.592	89.837	1,346.429	1196.818	-149.611	
Environment Protection.	Voted	3.395	0.691	4.086	3.706	-0.380	
Agriculture.	Voted	178.782	3.884	182.665	158.557	-24.109	
Fisheries.	Voted	3.558	0.000	3.558	2.733	-0.825	
Veterinary.	Voted	103.895	29.516	133.411	120.730	-12.681	
Co-operation.	Voted	23.254	1.630	24.884	23.529	-1.355	
Industries.	Voted	1.333	0.206	1.539	1.233	-0.306	
Miscellaneous Departments.	Voted	3.238	0.128	3.366	2.686	-0.680	
Civil Works.	Voted	35.720	0.404	36.124	30.839	-5.285	
Communications.	Voted	131.539	2.871	134.410	108.929	-25.481	
Miscellaneous.	Voted	23.360	1.052	24.412	21.626	-2.786	
Civil Defence.	Voted	5.262	0.032	5.294	4.784	-0.511	
Total Non Development		7,233.849	150.689	7,384.538	6,303.850	-1,080.687	
<u>Development</u>							
Development.	Voted	1163.559	744.324	1,907.883	909.543	-998.340	
Highways, Roads & Bridges.	Voted	13.128	28.281	41.409	23.878	-17.531	
Government Buildings.	Voted	82.336	0	82.336	44.362	-37.974	
Total Development		1,259.023	772.605	2,031.628	977.783	-1,053.845	
Grand Total		8,492.872	923.294	9,416.166	7,281.634	-2,134.532	

Annex-C
[Para 1.2.1.2]

Unauthorized withdrawal of 50% Adhoc Relief Allowance – Rs 6.658 Million

Table-I

(Amount in Rupees)

Pers. No.	Name of Employee	Employee Subgroup Desc	Health Professional Allowance	HSRA	Total	Initial Basic	Rate of Adhoc allowance	50% Adhoc Allowance 2010
31504970	Faizan Mustafa	SMO B-18	11,200	12,000	21,200	20,000	6,455	277,565

Table-II

(Amount in Rupees)

Pers. No.	Name of Employee	Pay Scale	PHSR P	HPA	Total	Basic Pay	50% Adhoc Relief	Period	No. of Month	Total Recovery
30805673	Dr. Iftikhar Ahmad	Grade 17	5,000	16,200	21,200	16,000	5,295	07.10 to 07.15	61	322,995
30806822	Dr. Imran Ahmad	Grade 17	5,000	16,200	21,200	16,000	5,295	07.10 to 07.15	61	322,995
30807439	Dr. Memoona Humayun	Grade 18	15,000	11,200	26,200	20,000	13,895	07.10 to 07.15	61	847,595
30807679	Dr. Saeed Ahmad	Grade 18	15,000	11,200	26,200	20,000	15,755	07.10 to 07.15	61	961,055
30807703	Dr. Muhammad Yaqoob	Grade 17	5,000	16,200	21,200	16,000	11,955	07.10 to 07.15	61	729,255
30808087	Dr. Shahid Iqbal	Grade 17	5,000	16,200	21,200	16,000	10,475	07.10 to 07.15	61	638,975
30917622	Dr. Khalid Mehmood	Grade 18	15,000	11,200	26,200	20,000	7,385	07.10 to 07.15	61	450,485
31504307	Dr. Assad Mahmood	Grade 18	15,000	11,200	26,200	20,000	6,455	08.10 to 07.15	60	387,300
31525780	Dr. Sadia Aslam	Grade 17	6,000	16,200	22,200	16,000	4,925	04.11 to 07.15	52	256,100
31543326	Dr. Uzair Ahmad Rafiq	Grade 18	23,000	11,200	34,200	20,000	6,455	03.12 to 07.15	41	264,655
31552420	Dr. Talal Ahmad	Grade 18	15,000	11,200	26,200	20,000	6,455	04.12 to 03.15	39	251,745
Total Amount										5,433,155

Table-III

(Amount in Rupees)

Personal No.	Name of Employee	BPS	Job Title	Rate of HPA	Rate of HSRA	Total HPA & HSRA	Initial Pay Scale	Paid Adhoc Allow 2010 @ 50%
30805725	Dr. Muhammad Fazal	17	Medical Officer	16,200	5,000	21,200	16,000	5,295
30805773	Dr. Durana Irfan	17	Women Medical Officer	16,200	6,000	22,200	16,000	58,245
30805833	Dr. Musarrat Farhan	17	Women Medical Officer	16,200	6,000	22,200	16,000	58,245
30806037	Dr. Muhammad Afzal Sajid	18	Surgeon	11,200	15,000	26,200	20,000	7,850
30806055	Dr. Amir raza khan	18	Pediatrician	11,200	15,000	26,200	20,000	86,350
30806105	Dr. Mazahir Akhtar	17	Medical Officer	16,200	5,000	21,200	16,000	31,770
30826289	Sadaf Shahid	17	Women Medical Officer	16,200	6,000	22,200	16,000	58,245
30877756	Muhammad Imran Nawaz Khan	18	Eye Specialist	11,200	15,000	26,200	20,000	81,235
30967036	Shagufta Parveen	17	Women Medical Officer	16,200	6,000	22,200	16,000	58,245
31221732	Dr. Naveed hussain	17	Medical Officer	16,200	6,000	22,200	16,000	58,245
31475774	Hafiz Salman Ali Rana	18	Physician	16,200	15,000	31,200	20,000	54,175
31552405	Dr Yasir Mumtaz	17	Medical Officer	16,200	5,000	21,200	16,000	44,325
31623306	Dr. Salman majeed	17	Medical Officer	16,200	5,000	21,200	16,000	54,175
31630938	Dr. Muhammad Tahir	17	Medical Officer	16,200	5,000	21,200	16,000	4,925
Total								661,325

Table-IV

(Amount in Rupees)

Name of Employee	Job Title	Employee Subgroup	Wage Type Description	Period in Months	Rate	Recovery
Dr. Abdul Majeed	Senior Medical Officer	Grade 18	Adhoc Allowance 2010@ 50%	7/2012 to 6/2015 (36 Months)	5,295	190,620
Sadia Tajamal	Women Medical Officer	Grade 17	-do-	7/2012 to 6/2015 (36 Months)	2,648	95,328
Total						285,948
Grand Total						6,657,993

Annex-D**[Para 1.2.1.3]****Unjustified purchase of stationery and wasteful incurring of funds withdrawn – Rs 2.137 million**

(Amount in Rupees)

Particular	Name Of Co.	Invoice # & Date	Sanction #	Date Of Sanction	Amount
Stationery 2012-13					
Stationery	Raes Traders	Missing	1905		21,450
Stationery	Raes Traders	Missing	1904		24,998
Stationery	Raes Traders	Missing	1903		24,998
Stationery	Raes Traders	Missing	1902		24,998
Stationery	Raes Traders	Missing	1932	23-01-2013	24,986
Stationery	Raes Traders	Missing	1931	23-01-2013	24,998
Stationery	Raes Traders	Missing	1930	23-01-2013	24,992
Stationery	Raes Traders	Missing	1929	23-01-2013	24,981
Stationery	Raes Traders	Missing	1928	23-01-2013	24,975
Stationery	Raes Traders	Missing	1927	23-01-2013	24,969
Stationery	Raes Traders	Missing	1926	23-01-2013	24,963
Stationery	Raes Traders	Missing	1925	23-01-2013	24,957
Stationery	Raes Traders	Missing	1924	23-01-2013	24,952
Stationery	Raes Traders	Missing	1923	23-01-2013	24,940
Stationery	Raes Traders	Missing	1922	23-01-2013	24,940
Stationery	Raes Traders	Missing	1921	23-01-2013	24,984
Stationery	Raes Traders	Missing	1920	23-01-2013	24,824
Stationery	Raes Traders	Missing	1919	23-01-2013	21,450
Stationery	Raes Traders	Missing	1918	23-01-2013	24,928
Stationery	Raes Traders	Missing	1917	23-01-2013	24,917
Stationery	Raes Traders	Missing	1916	23-01-2013	24,917
Stationery	Raes Traders	Missing	1915	23-01-2013	24,921
Stationery	Raes Traders	Missing	1914	23-01-2013	24,592
Stationery	Raes Traders	Missing	1913	23-01-2013	24,882
Stationery	Raes Traders	Missing	1912	23-01-2013	24,870
Stationery	Raes Traders	Missing	1911	23-01-2013	24,882
Stationery	Raes Traders	Missing	1910	23-01-2013	24,812
Stationery	Raes Traders	Missing	1909	23-01-2013	24,882
Stationery	Sami Enterprises	Missing	1970	10/11/2012	24,969
Stationery	Sami Enterprises	Missing	1965	10/11/2012	24,986
Stationery	Sami Enterprises	Missing	1968	10/11/2012	24,998
Stationery	Sami Enterprises	Missing	1963	10/11/2012	24,847
Stationery	Sami Enterprises	Missing	1962	10/11/2012	24,882
Stationery	Sami Enterprises	Missing	1961	10/11/2012	24,940

Particular	Name Of Co.	Invoice # & Date	Sanction #	Date Of Sanction	Amount
Stationery	Sami Enterprises	Missing	1959	10/11/2012	24,824
Stationery	Sami Enterprises	Missing	1403	Missing	24,986
Stationery	Sami Enterprises	Missing			24,882
Stationery	Sami Enterprises	Missing			24,650
Stationery	Sami Enterprises	Missing			24,940
Stationery	Sami Enterprises	Missing			24,940
Stationery	Sami Enterprises	Missing			24,986
Stationery	Sami Enterprises	Missing			24,882
Stationery	Sami Enterprises	Missing			24,975
Total					1,090,417
Stationery 2011-12					1,046,232
Total					2,136,649

Annex-E**[Para 1.2.2.1]****Non-recovery of rent of land use from tenants – Rs 4.692 million**

(Amount in Rupees)

Sr.#	Name of Tenant	Amount Recoverable as on 01.07.2014	Amount Recoverable as on 01.07.2015	Total Amount of Recovery
1	Abdul Ghani	88,436	44,566	133,002
2	M. Arshad	116,238	29,603	145,841
3	Muhammad Ashraf	39,750	Not Shown	39,750
4	Ramzan Gahafoor	34,713	163,855	198,568
5	Abdul Hameed	98,559	Not Shown	98,559
6	Muhammad Ramzan S/o Sardar	77,170	24,599	101,769
7	Muhammad Latif S/o Inayat Ullah	71,042	39,033	110,075
8	Ghulam Rasool	116,593	39,684	156,277
9	Muhammad Rafique & Bushra Bibi	43,062	50,978	94,040
10	Imtiaz Ahamd	63,907	41,419	105,326
11	Muhammad Yousaf	19,640	32,062	51,702
12	Muhammad Saleem	55,950	0	55,950
13	Bashir Ahmad S/o Fazal Muhammad	13,481	51,570	65,051
14	Muhammad Anwar & Tariq	266,419	107,288	373,707
15	Bashir S/o Fazal Deen	112,223	53,671	165,894
16	Anwaar Ul Haq	49,020	0	49,020
17	Muhammad Munir	97,441	35,567	133,008
18	Nazir Ahmad	61,308	41,246	102,554
19	Abdul Razaq	113,739	40,400	154,139
20	Abid Hussain	0	35,017	35,017
21	Muhammad Ramzan S/o Akbar Ali	93,516	29,332	122,848
22	Muhammad Waheed	29,667	0	29,667
23	Talib Hussain	99,375	51,049	150,424
24	Abdul Ghaffar	37,985	33,300	71,285
25	Muhammad Ibraheem	168,456	48,709	217,165
26	Muhammad Boota	102,361	42,838	145,199
27	Nawazash Ali	98,770	54,949	153,719
28	Muhammad Shahbaz	138,238	48,103	186,341
29	Abdul Raheem	111,202	42,605	153,807
30	Zulfiqar Ali	118,777	37,027	155,804
31	Shabir Hussain	181,278	66,187	247,465
32	Abdul Khaliq	175,036	74,323	249,359
33	Abdul Latif S/o Khushi Muhammad	133,212	50,160	183,372
34	Muhammad Ramzan S/o Abdul Ghafoor	Not Shown	64,060	64,060
35	Muhammad Younas	123,830	68,194	192,024
Grand Total		3,150,394	1,541,394	4,691,788